



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

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August 26, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

AUTHORIZE THE COUNTY PURCHASING AGENT TO ISSUE A PURCHASE ORDER FOR THE HARBOR-UCLA MEDICAL CENTER RADIOGRAPHIC ROOM REPLACEMENT PROJECT AND APPROVE AN APPROPRIATION ADJUSTMENT (C.P. No. 86600) (Second District) (3 Votes)

JOINT RECOMMENDATIONS WITH THE CHIEF ADMINISTRATIVE OFFICER THAT YOUR BOARD:

1. Authorize the County Purchasing Agent, or designee, to issue a purchase order to Toshiba Medical Systems, Inc. (Toshiba) in the amount of \$59,000 for additional heating, ventilation and air conditioning work which is required before installation of new radiographic/fluoroscopic equipment.
2. Approve the attached appropriation adjustment to transfer \$59,000 from the Department of Health Services' (DHS or Department) Fiscal Year (FY) 2004-05 Adopted Budget to the Harbor-UCLA Medical Center Radiographic Room Replacement Project, C.P. No. 86600.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

In approving these actions, the Board is authorizing the County Purchasing Agent, or designee, to issue a purchase order for \$59,000 to Toshiba by the same amount and approving an appropriation adjustment to increase the project budget. The additional labor costs associated with the requested adjustment on this project places the total expenditures for services over the statutory authority of the Purchasing Agent, and therefore, requires your Board's approval before a purchase order can be issued.

On June 10, 2003, your Board approved the establishment of Capital Project No. 86600, which authorized the County Purchasing Agent of the Internal Services Department (ISD) to proceed with the acquisition of an integrated C-arm table and digital radiographic/fluoroscopic

equipment at an estimated cost of \$623,382. Your Board also authorized \$159,000 from DHS' FY 2003-04 Proposed Budget to fund construction costs to support the installation of new radiographic equipment.

Through a competitive bid process, ISD awarded a purchase order to Toshiba for the equipment, with H.E. Butland Company (Butland) as a subcontractor for the room remodel. After that award and during the permit approval process, an unforeseen condition in the existing airflow in the radiology room was discovered such that the airflow did not meet current Office of Statewide Health Planning and Development (OSHPD) requirements.

Additional heating, ventilation and air conditioning (HVAC) work is required before the installation of the new radiographic equipment. The HVAC work will include installation of new exhaust ducts and fans to ventilate the room at an additional estimated cost of \$59,000.

Upon your Board's approval of the recommended actions, the project can proceed with construction and will meet OSHPD requirements. The estimated completion date is December 31, 2004.

Implementation of Strategic Plan Goals

These actions meet the County's Strategic Plan Goal of Service Excellence by promoting best practice for patient care and the Goal of Fiscal Responsibility by investing in the public infrastructure.

Consistency with DHS System Redesign

These actions meet the Department's strategic goals by improving the health care provided by DHS and enhancing the health of the residents of Los Angeles County.

FISCAL IMPACT/FINANCING

The attached appropriation adjustment will allow Harbor-UCLA Medical Center to transfer \$59,000 from the DHS FY 2004-05 Adopted Budget under Services and Supplies (S&S) to the Capital Project Budget under C.P. No. 86600, for a total project budget of \$218,000. There will be no ongoing operating impact on the County's General Fund since this project does not expand patient services and/or programs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Mechanical Department and Hospital Planning staff at Harbor-UCLA Medical Center will sign off on the vendor's plans as well as oversee construction and obtain OSHPD inspection sign off.

ENVIRONMENTAL DOCUMENTATION

On June 10, 2003, your Board found that the project was exempt from the California Environmental Quality Act.

CONTRACTING PROCESS

The unforeseen HVAC work needs to be completed by the subcontractor as a sole source because the new work will supplement existing work by the same vendor and ensure that all the equipment and work remains under warranty provided by the contracted vendor (Toshiba). Toshiba's subcontractor for this HVAC work is Butland. Based upon a review by Harbor-UCLA Medical Center professional staff, the new work as proposed by Butland, has been determined to be fair and reasonable, meeting OSHPD requirements and appropriate for the project.

A sole source letter is on file in the Department.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

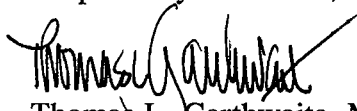
The additional HVAC work will enable the Department to secure a permit approving the installation of replacement radiographic equipment that has been approved by the Board. The equipment enhances patient care.

The current refurbishment project will not impact the scope of work for the current SB1953 seismic retrofit project, currently under design.

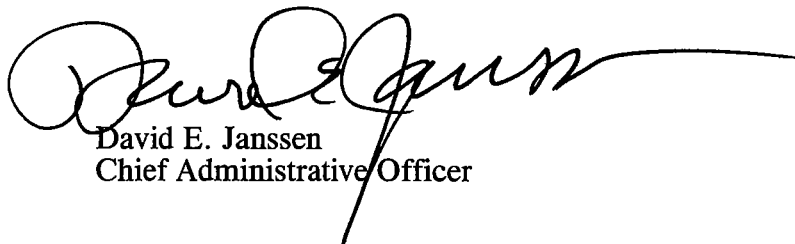
CONCLUSION

When approved, the Department requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer



David E. Janssen
Chief Administrative Officer

TLG:rf

Attachment (1)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller
Internal Services Department

BOARD OF
SUPERVISORS
OFFICIAL COPY

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COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENTDEPT'S.
No.

DEPARTMENT OF Health Services

August 23, 19 2004

AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY04-05

3-VOTE

SOURCES:Coastal Healthcare Network
Services and Supplies
MN1-HH-60020-2000 59,000General Fund Subsidy (Coastal Healthcare Network)
Operating Transfer Out
A01-AC-21226-6100 59,000
TOTAL: \$118,000USES:Coastal Healthcare Network
Operating Subsidy
MN1-HH-60020-9912 59,000Refurbished - Room Refurbishment
Fixed Assets-Building and Improvements
A01-HS-86600-6014 59,000
TOTAL: \$118,000Justification:

This adjustment is necessary to allow Harbor-UCLA Medical Center to transfer \$59,000 from its Operating Budget under Services and Supplies to the Capital Project Budget under C.P. NO. 86600. The project requires issuance of a purchase order to Toshiba Medical Systems, Inc. for additional heating, ventilation, and air conditioning work which is required before installation of the new radiographic/fluoroscopic equipment.

EM:fl
08/23/04

Efrain Munoz, Chief

DHS-Controller's Division

CHIEF ADMINISTRATIVE OFFICER'S REPORT

REFERRED TO THE CHIEF
ADMINISTRATIVE OFFICER FOR—

ACTION

RECOMMENDATION

APPROVED AS REQUESTED

AS REVISED

Aug 31, 2004 19

APPROVED (AS REVISED):
BOARD OF SUPERVISORS

CHIEF ADMINISTRATIVE OFFICER

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AUDITOR-CONTROLLER

BY

AUG. 24 2004

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